CITY OF REGINA

AN ECONOMIC AND FINANCIAL SURVEY

THE CITY OF REGINA

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Prepared by

WOOD GUNDY LIMITED

and

The City of Regina

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THE CITY OF REGINA

(Saskatchewan, Canada)

AN ECONOMIC AND FINANCIAL SURVEY

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SUMMARY

The City of Regina (the "City" or "Regina") is centrally located in the southern part of the Province of Saskatchewan (the "Province" or "Saskatchewan").

The City has a population of 167,000 and is the capital of the Province. Regina had its origins in a settlement established in 1857. In 1882, the building of the Canadian Pacific Railway provided a link to Eastern Canada and brought settlers to what was then the Northwest Territories. Regina was incorporated as a territorial town in 1883 and became a city in 1903. Following the creation of the Province in 1905, Regina was named its capital.

Industries located in Regina are able to serve the broad markets of Eastern and Western Canada, the Northwest Territories and the Northwest portion of the United States. There are approximately 5.5 million people within a five hundred mile radius of the City and transportation facilities are excellent. Regina is one of the major shipping centres for wheat and potash to the rest of Canada and world markets.

Regina residents enjoy a per capita personal disposable income which was 19% higher than the 1982 national average. An underexploited retail market exists, as evidenced by the 58% increase in per capita retail sales over the period 1976-1982.

Regina has a semi-arid climate. The extreme variability of temperature and low water vapour content in the air create four distinct seasons. Regina's frost free season averages 107 days and approximately 2,450 hours of sunshine are enjoyed every year. The following table outlines annual precipitation and temperature data for the Regina area:

Elevation:	577.4 metres (1,894 feet) above sea level
Yearly Precipitation:	397.9 millimetres (15.7 inches)
Month of Greatest Precipitation:	June
Month of Least Precipitation:	December
Frost Free Days:	107 days
Average Wind Velocity:	21.6 kilometres/hour (14 miles/hr.)
Average Maximum Temperature:	8.3°C (46.9°F)
Average Minimum Temperature:	−4.2°C (24.4°F)

Source: Regina Weather Office, Atmospheric Environmental Service.

Since the Second World War, the City has benefitted from the exploration for oil and gas in Western Canada. The early 1960's saw intensive development as new areas were annexed to accommodate a rapidly expanding population. Churches, schools and numerous other cultural and recreational facilities were built to accommodate the needs of a growing city.

In the late sixties and early seventies, Regina's central business district took on a new look when a number of corporate office towers were constructed.

Regina's development program has matured during the late seventies and early eighties. While retaining its prominence in the agricultural economy of the Province, the City has capitalized on opportunities in industry and commerce to expand and diversify its economy.

As the capital of the Province and one of its two major cities, Regina is also one of Saskatchewan's cultural centres. The City's diverse industrial base and highly developed service sector have produced a strong income position for its residents. More significant than the past record is the current thrust in economic activity taking place in Regina. Building activity continues at a high level and the growth in financial strength reflects the pace of this development.

In addition to enjoying a high level of economic prosperity, Regina has become a highly desirable place to live and work. The character of the City has been retained through careful development planning to ensure that the expansion of its infrastructure and industry is appropriately matched to its population.

The financial condition of Regina is characterized by a broad tax base, balanced budgets, significant internal financing and a sound tax collection record. Regina's long-term debt position is moderate and debt service payments are manageable. The City also benefits from the support of the Saskatchewan Municipal Finance Corporation and internal sinking and pension funds that are active buyers of the City's debt issues. A long record of stable and responsible government, a mature business and labour community, a solid economic base, and a long-term outlook for continued growth and prosperity all contribute to establishing Regina as one of Canada's prime municipal credits.

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CITY GOVERNMENT AND ADMINISTRATION

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PART I

CITY GOVERNMENT AND ADMINISTRATION

Regina was incorporated as a territorial town on December 1, 1883 and became a city on June 19, 1903. It has a civic government based on the traditional British system where each elected official represents an approximately equal number of citizens. The City is governed by a council consisting of a mayor and ten aldermen. The Mayor is elected by the community at large, while the aldermen are elected directly from various electoral divisions. A City Manager is appointed and reports directly to Council to manage the daily operations of City Hall. The actual governing of the City follows the format set down by the Provincial Legislature in *The Urban Municipality Act* of 1978.

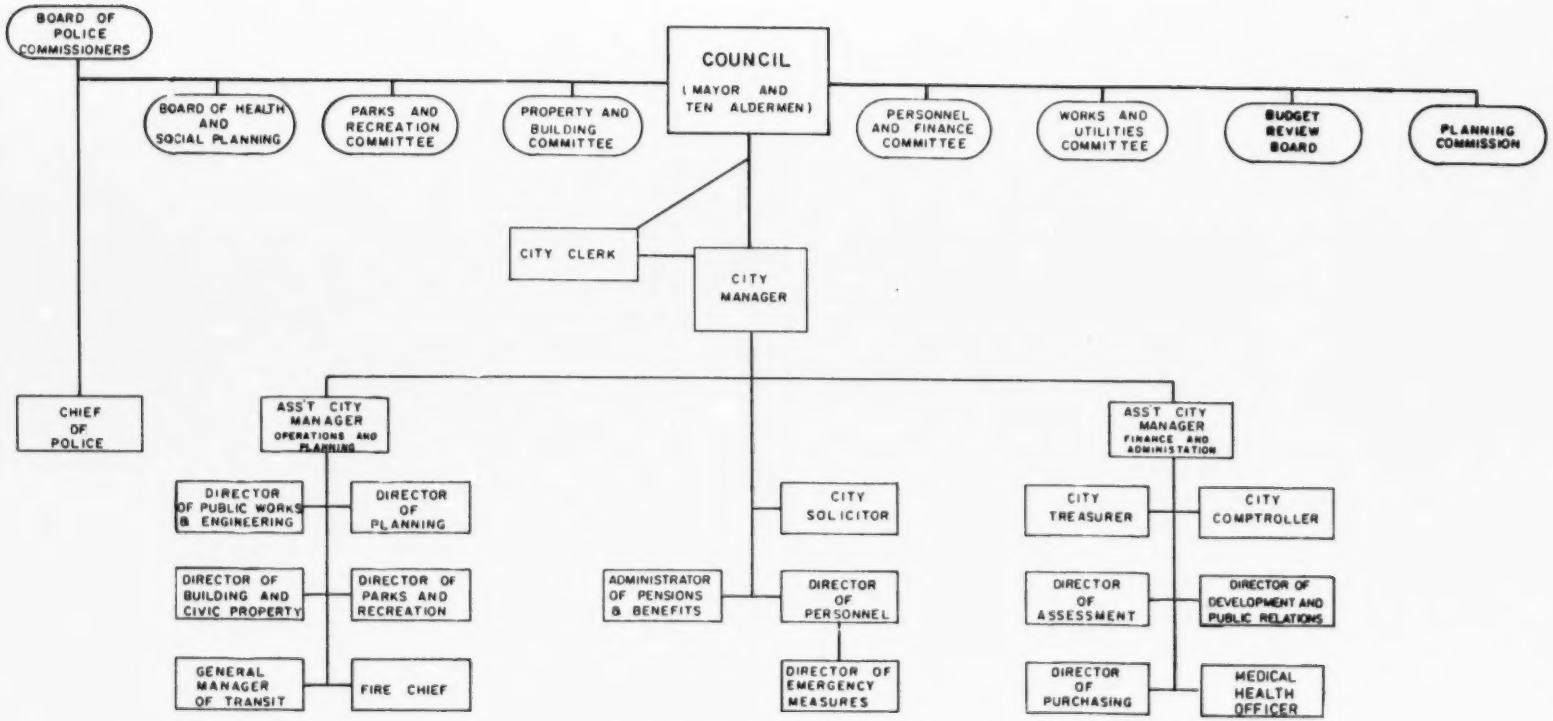
City of Regina

Elected Officials

Mayor Larry P. Schneider	City of Regina
Alderman Gerald J. Kleisinger	Representing Division 1
Alderman Ted Cholod	Representing Division 2
Alderman Mark Hanley	Representing Division 3
Alderman Leo Ooms	Representing Division 4
Alderman Wilma R. Staff	Representing Division 5
Alderman Harry Van Mulligen	Representing Division 6
Alderman W. Joe McKeown	Representing Division 7
Alderman Erwin C. Strass	Representing Division 8
Alderman Valerie A. McGregor	Representing Division 9
Alderman Stanley E. Oxelgren	Representing Division 10

Corporation of the City of Regina

Organization Chart



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PART II

ECONOMY

The Saskatchewan Economy

The economy of the Province was originally based on agriculture, especially the production of wheat. Saskatchewan's economy today reflects not only an expansion of this agricultural activity, but also a broadening of the Province's economic base, with exploitation of its mineral resources assuming increasing importance.

Saskatchewan's gross domestic product increased 13.6% in 1981 and grew at an annual compound rate of 13.6% for the five-year period 1977-1981. In 1981, agriculture accounted for 16.7% of gross domestic product, mining for 6.9% and manufacturing 6.2% (1971 constant dollars). During the five-year period 1976-1980, mining exhibited the greatest growth, growing at an annual compound rate of 25.5%, while manufacturing grew at 13.0% and agriculture at 5.1%.

Saskatchewan's population grew at a compound annual rate of 0.9% during the five-year period 1977-1981, while the labour force grew at 3.0%. The unemployment rate in the Province is one of the lowest in Canada, averaging 6.2% in 1982, compared to a national average of 11.0%.

Potash, oil and uranium are the Province's principal mineral resources. Saskatchewan possesses over 40% of the world's economically recoverable potash reserves and accounted for about 25% of total world production in 1980. Saskatchewan is the second largest oil producing province in Canada. In addition to reserves of conventional crude oil, the Province has an estimated 25 billion barrels of heavy oil in place. Some of the highest grade uranium deposits in the world are located in Saskatchewan and the Province is the second largest producing province in Canada.

Saskatchewan also possesses reserves of natural gas and has large deposits of lignite coal. Nearly all natural gas produced in the Province is purchased by Saskatchewan Power Corporation, principally for its natural gas distribution system. Approximately 65% of Saskatchewan's electricity is produced by power stations using lignite coal, while 35% is produced from other fossil fuels and by hydroelectric stations. There are no nuclear generating facilities in Saskatchewan.

The value of mineral shipments grew from $1.21 billion in 1977 to $2.41 billion in 1981.

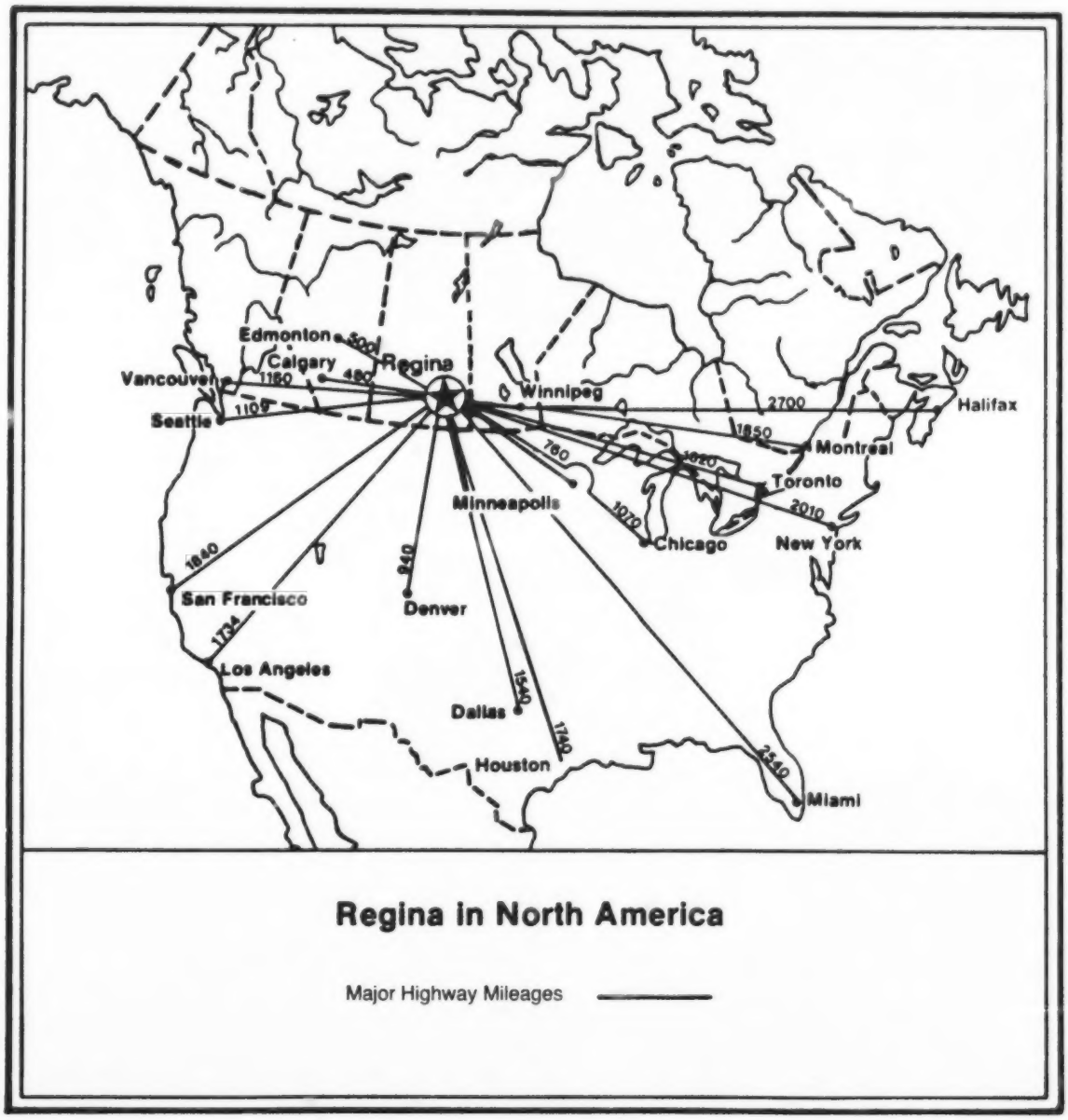
Reflecting the predominance of agriculture in the Provincial economy, the food and beverage industry is the largest manufacturing sector. It accounted for about 36% of the value of manufacturing shipments in Saskatchewan in 1981. Other major manufacturing activities include forest products, farm machinery and printing and publishing. The total value of manufacturing shipments grew from $1,300 million in 1977 to $2,429 million in 1981.

Regina's Economy

Location and Physical Features

The City of Regina is located in the south central part of Saskatchewan, mid-way between Calgary and Winnipeg. The international border is approximately 160 kilometers (100 miles) to the south.

In June 1982, Regina had a population of 167,000. This represents about 17.0% of the Province of Saskatchewan's total population.



Regina in North America

Major Highway Mileages ——————

Industrial Parks in Regina

To keep pace with the dramatic economic growth of the Province, Regina has developed plans to make the location and expansion of industry in the City attractive. Two main industrial parks have been established, the Ross Industrial Park and the Regina North Industrial Area.

The Regina North Industrial Area is privately owned. Its principal occupant is the Interprovincial Steel and Pipe Corporation Ltd. Approximately 110 acres remain to be developed.

Ross Industrial Park was created by the City in 1962 to encourage more rapid industrial growth. The Park contains 1,438 serviced acres, of which approximately 60% has been sold. Another 2,140 acres have been banked for future development. The Park presently employs about 4,000 people and has captured 75% of the City's industrial tax base. It is recognized as one of the largest and most uniquely planned industrial parks in North America.

Agriculture

Agricultural activities in the Regina area play a vital role in the City's economy. The plains of southern Saskatchewan are recognized as the finest hard wheat growing lands in the world. Ideal weather for wheat production results in a high protein content, an important factor when this commodity is sold on world markets. The 1979-1980 harvest of all grains was approximately 14.5 million tons, while 1980-1981's crop yield contributed 15.5 million tons to the market.

Livestock production is also important to the economy of the City. In 1981, Saskatchewan receipts from livestock and livestock products totalled $638.7 million, compared to $761.3 million in 1980. This segment of the Regina industrial base remains a significant factor in the Provincial economy.

Natural Resources

In addition to supporting a rich agricultural land, the Regina area has an abundance of natural resources. There are currently three potash mines in the Regina vicinity producing approximately 15% of the Province's total output.

Saskatchewan is second among Canada's ten provinces in oil production and accounts for roughly 10% of national output. Natural gas is also produced in southern Saskatchewan, where 45 wells have been constructed. At the end of 1981, the Province's gas reserves were estimated to be approximately 40 billion cubic metres.

In the region surrounding Regina coal is also an important resource. In 1981, 6.7 million short tons of coal were mined in Saskatchewan, valued at approximately $54.5 million.

Population

At June 1, 1982 Regina's population was approximately 167,000, which represents an increase of 18.0% since 1972 and 9.8% since 1977. Regina's population is forecast to grow steadily through the year 2002 as shown in Table II-1. The City's population is predominantly of British descent (83.6%), but also includes groups of German (5.9%), Ukrainian (2.4%) and French (1.5%) descent. The major religious denomination is Protestant (53.8% of the total population).

Tables II-1 and II-2 illustrate the growth and demographics of Regina's population.

TABLE II-1

Population Growth of Regina, Saskatchewan and Canada

Year	Regina	Saskatchewan	Canada
1951	71,319	831,728	14,009,429
1956	89,755	880,665	16,080,791
1961	112,141	925,181	18,238,247
1966	131,127	955,344	20,014,880
1971	139,500	926,245	21,568,310
1976	149,600	921,325	22,992,605
1977	152,119	934,600	23,286,800
1978	153,993	943,500	23,533,900
1979	154,175	952,500	23,768,700
1980	155,606	961,100	24,057,600
1981	162,613	968,300	24,341,700
1982	167,000	981,400	24,603,200
1987*	174,700	—	—
1992*	182,700	—	—
1997*	191,000	—	—
2002*	199,800	—	—

* = Forecast

Sources: City of Regina, Statistics Canada, Financial Post Survey of Markets, 1983.

TABLE II-2

City of Regina

Population by Age Group

1981 Census:	Saskatchewan Total	Regina Total	Category as a % of Regina Total	Category as a % of Saskatchewan Total
Total	968,310	162,620	100.0	100.0
Male	486,070	79,200	48.7	50.2
Female	482,240	83,420	51.3	49.8
Age Groups:				
Under 4	81,420	13,470	8.3	8.4
5 – 9	77,410	12,450	7.6	8.0
10 – 14	79,775	12,455	7.7	8.2
15 – 19	94,945	15,760	9.7	9.8
20 – 24	89,050	18,245	11.2	9.2
25 – 34	148,525	29,170	17.9	15.3
35 – 44	97,070	17,530	10.8	10.0
45 – 54	92,510	15,250	9.4	9.6
55 – 64	91,440	13,300	8.2	9.5
65 – 69	39,570	5,130	3.1	4.1
70 and over	76,595	9,860	6.1	7.9

Source: Statistics Canada.

Income

Regina's per capita personal disposable income exhibited the largest increase for Canadian metropolitan areas with populations of 100,000 or more during the period 1976-1982. The City improved its ranking among areas of comparable size from 9th to 6th during the period, as indicated in Table II-3. In 1982, per capita personal disposable income for the City of Regina was $11,684, 22% above the Saskatchewan average and 19% above the national average.

The following table gives a comparison of per capita personal disposable income for several Canadian cities with metropolitan area populations of 100,000 or more.

TABLE II-3

Personal Disposable Income, Canadian Cities*

City	1982 Population* (thousands)	Per Capita Income 1982	Per Capita Income 1976	% Change 1976-1982	Rank of Income Position 1982	Rank of Income Position 1976
REGINA	167.0	$11,684	$5,980	95	6	9
Halifax	290.3	9,961	5,520	80	19	19
Saint John	114.0	8,667	5,110	70	24	21
Montreal	2,830.7	10,287	5,550	85	16	17
Toronto	3,034.1	11,785	6,500	81	5	5
Winnipeg	588.4	11,201	5,930	89	9	11
Edmonton	673.2	11,885	6,240	90	2	6
Vancouver	1,291.5	11,797	6,140	92	4	8

*Census Metropolitan Area.

Source: Financial Post Survey of Markets, 1977 and 1983.

The affluence of Regina's citizens is also evident when considering the distribution of taxpayers by income class (see Table II-4). In 1980, the latest year for which data is available, a total of 60.0% of all taxpayers in the City had incomes over $10,000. The comparable figure for the Province of Saskatchewan is 51.5%. These figures reflect the relatively greater proportion of highly skilled labour and managerial workers in the City.

TABLE II-4

Distribution of Taxable Income, 1980

Income Class:	Regina 1980	Regina % of total	Saskatchewan % of total
Under 2,000	11,161	10.8	15.2
2,000 - 4,000	7,200	7.0	7.8
4,000 - 6,000	8,016	7.8	9.1
6,000 - 10,000	14,902	14.5	16.5
10,000 - 15,000	20,400	19.8	17.7
15,000 - 20,000	16,017	15.5	13.0
20,000 - 30,000	16,498	16.0	13.5
30,000 - 40,000	5,419	5.3	4.3
40,000 and over	3,467	3.4	3.0
Total number of returns	103,080	100.0	100.0
Total income in thousands	$1,513,078		
Average income	$ 14,678		
Total tax in thousands	$ 252,697		
Average tax	$ 3,364		

Source: Financial Post Survey of Markets, 1983.

Labour Force and Employment

Regina has one of the lowest unemployment rates in Canada. The pattern of population growth in Regina has resulted in favourable increases in the size and diversity of the labour force. Prospective employers can draw from a large labour pool at wages and salaries which are below the Provincial and Canadian averages (see Table II-5). Employment in Regina, although dominated by a large government service sector (see piechart below), is influenced to a great degree by the manufacturing and trade sectors. As at December, 1982, Regina's unemployment average of 8.2% (not seasonally adjusted) was substantially below the national average of 12.7%. The following pie chart illustrates the composites of the 1981 labour force by industry in Regina.

1981 Labour Force by Industry in Regina

Source: City of Regina.

TABLE II-5

Average Weekly Earnings (1)

Year	Regina	Saskatchewan	Canada
1975	$184.39	$188.31	$203.34
1976	213.80	214.87	228.03
1977	233.23	235.56	249.95
1978	246.95	250.44	265.35
1979	271.38	275.79	288.32
1980	298.43	303.71	317.39
1981	323.30	336.78	355.12

(1) The standard work week is 40 hours with 8 paid statutory holidays per year.

Source: Statistics Canada.

The following table lists all manufacturing companies in Regina with 100 or more employees.

TABLE II-6

City of Regina

Largest Employers — Manufacturing

Manufacturing companies with 100 or more employees

	Number of Employees
Brandt Machine & Manufacturing Ltd.	100
Con-Force Products Limited	106
Consumers' Co-operative Refineries Limited	245
Dairy Producers Co-operative Ltd.	175
Degelman Industries Ltd.	139
Dominion Bridge	175
Federal Pioneer Ltd.	110
Intercontinental Packers Ltd.	150
Interprovincial Steel and Pipe Corporation Ltd.	1,700
Kalium Chemicals	350
Kramer Tractor Limited	120
Leader Post	320
McGavin Foods Limited	110
Molson Saskatchewan Breweries Ltd.	125
Saskatchewan Council For Crippled Children and Adults	117
Westbank Willock Industries Limited	495
Westeel Rosco Ltd.	110
Weston Bakeries	120
York Beverages (1968) Ltd.	101

Source: City of Regina.

Retail Market

In 1982, the value of retail sales in Regina represented 0.94% of the Canadian total and remained significantly higher than several major Canadian urban centres of comparable size. Regina ranked fourth in 1982 in retail sales per capita for Canadian cities with populations of 100,000 or more.

TABLE II-7

Retail Sales, Canadian Cities*

City*	Per Capita Sales 1982	Per Capita Sales 1976	% Change 1976-1982	Rank of Sales Position 1982	Rank of Sales Position 1976
REGINA	$5,672	$3,580	58	4	1
Halifax	3,895	2,560	52	22	20
Saint John	3,892	2,750	42	23	10
Montreal	3,937	2,420	63	21	22
Toronto	4,411	2,640	67	14	18
Winnipeg	4,267	2,630	62	17	19
Edmonton	5,883	3,450	71	3	4
Vancouver	4,998	2,730	83	5	12

*Census Metropolitan Area.

Source: Financial Post Survey of Markets, 1977 and 1983.

Transportation and Communications

Regina is served by all modes of transportation including transcontinental railways, highways and intercontinental air routes. The City has a highly developed infrastructure for public and private transportation.

Regina is an important rail centre served by both the Canadian Pacific Railway (CP Rail) and the Canadian National Railway (CN Rail) for eastbound and westbound traffic in Canada and, through inter-switching facilities, to the United States. The transportation networks of CN Rail and CP Rail provide integrated road-rail-sea container and other services to all major international points.

Via Rail provides passenger service to Canadian destinations. Through interconnections with Amtrak, passenger service is also provided to points throughout the United States.

Trucking is also an important industry in the City of Regina. A complete range of services is offered to meet local, provincial and international needs. Seven major general freight carriers have head offices located in the City.

Regina Airport is the seventh most active airport in Canada in terms of passenger traffic. Air Canada is the major regularly-scheduled airline. Other scheduled airlines include CP Air, Pacific Western, Norcanair and Frontier Airlines. Nineteen companies currently provide either passenger or freight service from Regina Airport.

Bus transportation within the City is provided by the City of Regina Transit System, which is financially assisted through Provincial grants.

The City is served by one newspaper (the Leader-Post), both national television networks (CBC and CTV), local cable television and seven radio stations.

Business and Industry

Because of its central location, Regina is one of Western Canada's major distribution centres. Industries such as steel, oil refining and livestock processing are located in the City. The agricultural sector is an important source of raw materials for many of Regina's manufacturing industries.

Ross Industrial Park was planned to ensure an adequate supply of industrial land and to promote orderly development. It has 1,438 acres of fully serviced land. Additional areas totalling over 2,140 acres are available for future development by the City.

Development and incentive programs have been introduced by the Province to encourage economic growth. An important source of financial assistance for enterprises not in the position to borrow through normal channels is provided by the Provincial Government. This assistance includes direct lending, grants and guarantees of loans obtained from other sources. The Saskatchewan Economic Development Corporation is a Crown Corporation and was established in 1963 to provide a comprehensive range of financial services including term loans, mortgages, equity participation and industrial park development.

Federal assistance programs, including the *Small Business Loans Act*, permit chartered banks to assist small businesses in obtaining term loans for a variety of capital purposes.

Construction

Regina has been experiencing a gradual decline in the housing sector over the past few years. However, the decrease in the residential sector has been offset by increases in industrial and commercial construction. These segments recorded a combined increase of approximately $36 million in 1981. Regina's status as the Provincial capital bodes well for the City's future industrial development. Even though the development of mineral resources and new energy sources will be concentrated in northern Saskatchewan, Regina will still be considered as the prime base for many corporate head offices, due to the proximity of government agencies and the excellent transportation facilities available.

Table II-8 provides a list of the number and value of building permits in Regina for the period shown. Table II-9 lists the major downtown projects since 1970.

TABLE II-8

City of Regina

Number and Value of Building Permits

	For the year ended December 31,				
	1981	1980	1979	1978	1977
Number	3,534	3,354	3,890	4,102	4,557
Residential	$ 64,443,507	$ 52,437,987	$ 79,950,959	$ 61,809,284	$ 93,921,145
Motel	438,600	772,500	949,926	3,528,719	81,600
Commercial	77,758,791	49,000,017	31,655,982	18,251,662	51,716,984
Industrial	21,424,696	14,115,562	7,547,150	5,775,950	—
Total	$188,780,254	$140,061,293	$180,018,487	$163,499,481	$183,918,786

Source: City of Regina.

TABLE II-9

City of Regina

Major Downtown Projects

(1970 – 1982)

Building	Value of Permits
Simpsons-Sears Limited	$ 17,000,000
Bank of Montreal	10,800,000
City Hall	7,600,000
Humford House	3,900,000
S.G.I. Head Office	14,864,000
Sheraton Centre Hotel	6,219,000
Royal Bank	8,050,000
Toronto-Dominion Bank	5,998,000
Credit Union Central	5,135,000
Chateau Towers	5,730,000
Chestemere Plaza	5,446,000
Cornwall Centre	30,470,000
Sask Tel Head Office	26,389,000
Sask Tel Addition	3,583,000
Police Station	4,500,000
Westwater Hotel	1,210,000
Sask Teachers Building	1,155,400
Senior Citizens Home	3,700,000
Centre Point Plaza	3,573,500
Senior Citizens Highrise	2,200,000
Senior Citizens Highrise	1,428,000
Grenfell Tower	8,000,000
Sask Wheat Pool Office Expansion	2,500,000
Total	$179,450,900

Source: City of Regina.

Table II-10 provides a list of the residential building permits in Regina for the periods shown.

TABLE II-10

City of Regina

Residential Construction

	1981	1980	1979	1978	1977	1976
Single family units	984	627	1,100	1,274	1,484	1,656
Semi-detached units	26	4	16	144	190	124
Apartment building units	179	739	620	828	1,630	1,046
Duplex units	—	—	—	—	2	—
Multi-attached units	171	12	98	—	158	94
Condominium units	18	28	140	24	61	250
Total	1,378	1,410	1,974	2,270	3,525	3,170

Source: City of Regina.

To provide additional perspective, Table II-11 lists selected comparative economic statistics for Regina, Saskatchewan and Canada.

TABLE II-11

City of Regina

Comparative Economic Statistics

Regina, Saskatchewan, Canada

	1981	1980	1979	1978	1977
Personal Disposable Income (millions)					
Regina	$ 1,800.3	$ 1,541.9	$ 1,375.9	$ 1,235.2	$ 1,049.3
Saskatchewan	8,425.0	7,650.0	6,579.0	6,154.0	5,021.0
Canada	215,168.0	191,387.0	171,086.0	155,977.0	136,558.0
Personal Disposable Income per Capita					
Regina	$ 10,534.0	$ 9,244.0	$ 8,493.0	$ 7,800.0	$ 6,730.0
Saskatchewan	8,600.0	7,884.0	6,882.0	6,490.0	5,360.0
Canada	8,893.0	8,011.0	7,225.0	6,600.0	5,860.0
Value of Retail Trade (millions)					
Regina	$ 884.6	$ 799.7	$ 707.5	$ 598.3	$ 572.8
Saskatchewan	3,808.0	3,486.9	3,125.0	2,677.3	2,597.8
Canada	92,821.1	85,921.7	75,546.3	67,523.7	61,137.4
Retail Sales per Capita					
Regina	$ 5,176.0	$ 4,794.0	$ 4,367.0	$ 3,780.0	$ 3,670.0
Saskatchewan	3,887.0	3,595.0	3,269.0	2,820.0	2,770.0
Canada	3,836.0	3,596.0	3,190.0	2,870.0	2,620.0
Manufacturing Value Added (millions)					
Regina	N.A.	N.A.	$ 215.3	$ 186.6	$ 179.1
Saskatchewan	N.A.	$ 814.1	692.8	568.1	489.2
Canada	N.A.	69,986.6	64,340.7	54,430.6	46,801.2
Value of Manufactured Shipments (millions)					
Regina	N.A.	N.A.	$ 645.5	$ 507.1	$ 445.1
Saskatchewan	$ 2,477.8	$ 2,097.6	1,864.0	1,513.4	1,299.5
Canada	189,312.7	168,410.7	152,487.0	129,295.7	109,776.1
Value of Building Permits (millions)					
Regina	$ 188.8	$ 139.3	$ 180.0	$ 163.5	$ 183.9
Saskatchewan	574.8	545.6	667.3	486.6	539.5
Canada	18,735.5	15,452.1	14,143.9	13,134.7	12,419.0

N.A. — Not Available.

Sources: Statistics Canada, Financial Post Survey of Markets, City of Regina.

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INFRASTRUCTURE

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PART III

INFRASTRUCTURE

Regina has a developed infrastructure including utilities, housing, social services and education, and offers a variety of cultural and recreational pursuits. Consequently, the City has developed into a desirable place to live and work. Careful development planning is serving to retain the character of Regina.

Utilities

Energy

Regina's basic energy requirements are met through the supply of electric power, natural gas and petroleum products.

Electric power is provided by Saskatchewan Power Corporation ("Sask Power") through its grid system connected network of thermal-electric and hydro-electric generating stations. Coal has been and will be the principal source of Sask Power's energy requirements. Natural gas and oil are utilized to a lesser extent.

Sask Power's grid system is linked with other major power systems in Canada and the United States, in order to provide greater security of service and supply. In addition, the sale of surplus energy is also possible with this linking arrangement.

Natural gas is Regina's most important source of domestic and industrial heating fuel. It is delivered to consumers and industry through Sask Power's natural gas distribution system and originates primarily in the gas fields of Saskatchewan and Alberta.

Gasoline and oil are the other major sources of energy for personal and industrial use and home heating requirements.

Sewage Treatment

Regina's sanitary service extends 337.8 miles to service the City's 167,000 inhabitants. An aerated sewage lagoon system and a tertiary treatment plant have been constructed to provide treatment of the effluent prior to its discharge into Wascana Creek. The present capacity is 18 million gallons of normal waste per day. Acid waste is disposed of in a sanitary landfill site on the outskirts of the City.

Waterworks

The Regina Water Department is responsible for the production, treatment, storage and distribution of the City's water. The aim of City Council is to maintain a self-supporting utility after providing for normal maintenance, depreciation and debt charges.

The surface water supply is drawn from Buffalo Pound Lake. Ground water for the City is taken from a main well field located at Boggy Creek. The present capacity of the system is 60 million gallons. Daily peak consumption averages approximately 32.8 million gallons. Pressure at both of Regina's pumping stations averages 65 pounds per square inch.

By 1984, an upgrading of the water purification plant will be completed at a gross cost of $12 to $14 million. Regina's share of this project's expenses is estimated to be 70%.

Public Transit

The Regina Transit System, established in 1909, is operated under the direction of the City of Regina. It consists of a fleet of 97 diesel buses operated by 170 full-time drivers. The Transit System operates every day of the year, with reduced service levels on Sundays and statutory holidays.

Housing

Until 1977, Regina's housing had expanded at a quicker pace than the national average, primarily due to migration from the east. In line with the national trend, Regina experienced a downturn in

dwelling completions in 1978, 1979 and 1980. In 1981, the number of dwelling completions increased in Regina, in contrast to the national trend. Table III-1 shows dwelling completions by urban area in Canada for the period 1977-1981.

TABLE III-1

Dwelling Completions by Urban Area

Metropolitan Areas	1981	1980	1979	1978	1977
REGINA	1,772	1,419	2,247	3,129	3,372
Calgary	12,712	12,067	13,410	13,708	11,480
Chicoutimi-Jonquiere	748	850	1,352	1,783	996
Edmonton	11,270	9,996	15,573	15,567	12,853
Halifax	1,252	1,827	3,327	2,705	3,678
Hamilton	1,919	1,824	2,368	5,177	5,173
Kitchener	1,776	1,593	2,293	3,250	3,543
London	1,023	2,206	4,536	3,929	5,271
Montreal	14,778	13,838	19,568	26,034	31,901
Oshawa	1,328	765	1,952	2,531	3,307
Ottawa-Hull	3,440	3,316	7,182	8,492	6,730
Quebec	3,449	3,985	5,623	8,284	7,001
Niagara	630	1,128	1,791	2,488	3,112
Saint John	316	210	459	808	1,452
St. John's	1,515	928	871	955	1,445
Saskatoon	3,142	2,821	3,647	4,046	2,372
Sudbury	382	332	637	855	1,085
Thunder Bay	174	670	1,235	1,433	1,573
Toronto	24,561	26,602	30,963	25,866	26,691
Vancouver	13,529	14,152	11,920	14,895	15,753
Victoria	2,610	2,047	1,872	2,525	3,970
Windsor	445	2,310	3,180	1,976	1,042
Winnipeg	3,255	3,513	6,340	7,542	6,282
Canada	174,996	176,168	226,489	246,533	251,789

Source: Canadian Housing Statistics, 1982.

Recreational Activities and Facilities

Regina offers numerous cultural attractions and provides or operates a wide variety of recreational facilities and programs for its citizens. For recreational purposes, the City has been divided into five geographic zones. Through this system the Parks and Recreation Department is able to provide the citizens of Regina with programs on a decentralized basis.

The City is situated near a chain of lakes and rivers which offer boating, camping and fishing. Regina also offers winter sports such as skiing, tobogganing and skating. Within a short drive of the City are some of the finest hunting grounds in Canada for upland game, including deer and antelope. Other recreational facilities include: forty playgrounds, five outdoor swimming pools, the Lawson Aquatic Centre, nine indoor arenas, two illuminated football stadiums, one speed skating oval, seventy-four baseball diamonds, five golf courses, forty-eight public tennis courts, nine football fields, four soccer fields, and Douglas Park, a major track and field facility.

There are active programs available in hockey, football, baseball, skating, tennis, curling, basketball and many other sports. Regina is the home of the Saskatchewan Roughriders of the Canadian Football League. The Regina Pats, a successful junior hockey team which has won the Memorial Cup on three occasions, and the Regina Rams, a successful junior football team, both base their operations in the City as well.

Cultural Attractions

Regina has live theatre at "The Globe", which has an adult company, a school tour and a drama studio offering classes and work shops.

The prime entertainment facility in the City is the Saskatchewan Centre of the Arts, which is located within Wascana Centre and is owned by the Province. The Centre houses the City sponsored Regina Symphony Orchestra, the Canada Council, the Saskatchewan Arts Board and other private and corporate functions.

The Agridome Star Theatre, located on the Exhibition Grounds, has a seating capacity of 7,000. It is the site of many Regina sports, cultural and entertainment productions. There are many art galleries and museums in the City, among them the Norman Mackenzie Art Gallery operated by the University of Regina. Some of the many other cultural attractions include the Dunlop Art Gallery, the Museum of Natural History and the Royal Canadian Mounted Police Museum.

Education

Elementary and secondary education is provided by the Regina Board of Education (public school system) and the Regina Roman Catholic Separate School Board (separate school system). Both the public and separate school systems are tax supported, with tax allocation being determined at the direction of individual taxpayers. Approximately 30% of the City of Regina's total budget is allocated to the support of the two school boards. Regina's public and private school systems have ninety-six elementary schools, ten high schools and seven schools of a specialized nature for other students. All elementary school children in Saskatchewan are provided with a free dental plan until they are 14 years old.

The largest post-secondary educational institution in the City is the University of Regina. Among the programs offered are undergraduate degrees in the humanities, social sciences, fine arts, education, administration and engineering. In the fall of 1982, enrollment at the University of Regina increased by 15.5% to 9,280 students from 8,033 in the 1981 fall semester.

The Wascana Institute of Applied Arts and Sciences offers trade and vocational instruction. Community college courses are offered at the Plains Community College in Regina.

TABLE III-2

City of Regina

Elementary and Secondary School Systems

The following table displays the combined statistics of both the elementary and secondary school systems.

Number of schools:	Public — 73	Separate — 38
Students enrolled:	Public — 23,569	Separate — 9,825
Per capita expenditures:	Public — $2,337	Separate — $2,479

Average student teacher ratio 22.1:1.

Sources: Regina Public and Separate School Boards.

PART IV

LOCAL SECTOR CURRENT AND CAPITAL FINANCES

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PART IV

LOCAL SECTOR CURRENT AND CAPITAL FINANCES

Current Finances

Revenue and Expenditure

The following table gives a breakdown of the revenue and expenditure of the City for the years 1978 through 1981, along with budget figures for 1982. The distribution of 1982 general taxes and the distribution of 1982 City Council expenditures are given in Appendix A.

TABLE IV-1

City of Regina

Combined Statement of Revenue and Expenditure

	Budget	For the year ended December 31,			
	1982	1981	1980	1979	1978
		(thousands of dollars)			
Revenue					
City share of taxes	$ 50,279	$ 44,901	$ 38,718	$ 34,976	$ 33,163
Other taxes	23,929	21,521	19,260	18,398	15,246
Contributions and grants	19,112	16,708	15,276	14,599	11,965
Miscellaneous	943	1,908	1,029	747	617
Other revenue	9,942	9,109	9,564	8,997	8,416
Surplus from prior year	2,353	270	923	1,578	1,118
Total Revenue	$106,558	$ 94,417	$ 84,770	$ 79,295	$ 70,525
Expenditure					
General government	$ 13,942	$ 9,997	$ 9,259	$ 7,728	$ 8,990
Protective services	33,045	28,811	25,579	22,130	19,571
Transportation services	16,574	15,674	16,030	14,081	10,913
Environmental health	4,317	3,805	3,731	3,494	3,576
Public health and welfare	5,993	5,404	4,337	4,012	3,184
Environmental development	2,678	2,011	1,976	1,786	—
Parks, culture and recreation	12,296	11,128	9,440	8,545	7,283
Fiscal services	17,713	14,969	14,148	16,596	15,430
Total Expenditure	$106,558	$ 91,799	$ 84,500	$ 78,372	$ 68,947
Total Revenue	$106,558	$ 94,417	$ 84,770	$ 79,295	$ 70,525
Total Expenditure	106,558	91,799	84,500	78,372	68,947
Surplus	$ 0	$ 2,618	$ 270	$ 923	$ 1,578

Source: City of Regina.

Summary of Sources of Revenue

General taxes represented an increase in the value of a mill of 4.7% in 1982, compared to a 3.8% increase in 1981. The mill rate in 1982 was valued at $353,151.37.

The Province increased Regina's Revenue Share Grant by 12.2% in 1982, compared to a 10.5% increase in 1981. The Revenue Sharing Grant consists of four main components: retail sales tax, personal income tax, corporate income tax, and gasoline tax.

Other revenues include revenues collected on taxes in arrears. These collections are expected to be lower in 1982 because of an aggressive collection program.

Table IV-2 breaks down the sources of revenue for 1978 - 1981 and provides budget figures for 1982.

TABLE IV-2

City of Regina

Analysis of Revenue Sources

	Budget	For the year ended December 31,			
	1982	1981	1980	1979	1978
		(thousands of dollars)			
Revenue					
Taxes	$ 99,229	$ 85,147	$ 73,002	$ 64,805	$ 61,518
Less: School	44,483	36,401	30,857	26,832	25,596
Library	4,467	3,845	3,427	2,997	2,759
City share of taxes	$ 50,279	$ 44,901	$ 38,718	$ 34,976	$ 33,163
Other taxes					
Licences	$ 1,128	$ 1,014	$ 844	$ 798	$ 727
Rents and concessions	9,127	8,134	6,857	6,528	5,902
Fines, interest and taxes penalties	6,126	6,348	5,439	5,379	3,623
Recreation and community services	2,014	1,864	1,628	1,431	1,206
Services charges and fees	5,534	4,161	4,492	4,262	3,788
Total other taxes	$ 23,929	$ 21,521	$ 19,260	$ 18,398	$ 15,246
Contributions and grants					
Revenue sharing	$ 14,088	$ 12,552	$ 11,356	$ 11,203	$ 8,957
Grants in lieu of taxes	5,024	4,156	3,920	3,396	3,008
Total contributions and grants	$ 19,112	$ 16,708	$ 15,276	$ 14,599	$ 11,965
Miscellaneous	$ 943	$ 1,908	$ 1,029	$ 747	$ 617
Other revenue					
Recoverable debt charges	$ 3,731	$ 3,803	$ 3,911	$ 4,178	$ 4,197
Transfers (internal)	6,211	5,306	5,653	4,819	4,219
Total other revenue	$ 9,942	$ 9,109	$ 9,564	$ 8,997	$ 8,416
Surplus from prior year	$ 2,353	$ 270	$ 923	$ 1,578	$ 1,118
Total Revenue	$106,558	$ 94,417	$ 84,770	$ 79,295	$ 70,525

Source: City of Regina.

Transit System

The Province and the City provide operating subsidies to the transit system to offset operating deficits. Capital grants from the Province provide 50%-75% of capital funding requirements.

The following table sets forth certain financial information on the Regina Transit System for the years 1978-1981, along with budget figures for 1982.

TABLE IV-3

City of Regina Transit System

Summary of Revenue and Expenditure

	Budget	For the year ended December 31.			
	1982	1981	1980	1979	1978
		(thousands of dollars)			
Revenue (1)	$5,726	$4,940	$3,720	$3,431	$3,367
Expenditure	8,982	8,373	7,708	6,927	6,206
Deficit	$3,256	$3,433	$3,988	$3,496	$2,839

(1) The Province contributes to revenue through grants.

Source: City of Regina.

Waterworks

Waterworks is a self-sustaining enterprise and is fully financed by user charges.

The following table outlines revenue and expenditure for waterworks for the years 1978 through 1981, along with budget figures for 1982.

TABLE IV-4

City of Regina Waterworks

Statement of Revenue and Expenditure

	Budget	For the year ended December 31.			
	1982	1981	1980	1979	1978
		(thousands of dollars)			
Revenue					
Sales of water	$8,098	$7,700	$6,880	$5,948	$5,211
Fire hydrant	257	229	226	222	216
Miscellaneous	642	255	252	226	234
Total Revenue	$8,997	$8,184	$7,358	$6,396	$5,661
Expenditure					
General administration	$1,127	$ 578	$ 524	$ 535	$ 444
Net cost — water	1,614	1,420	1,230	1,192	897
Power and pumping	963	889	795	666	533
Transportation and distribution	2,204	2,024	1,888	1,726	1,440
Fiscal service	3,089	2,681	2,231	2,178	2,137
Total Expenditure	$8,997	$7,592	$6,668	$6,297	$5,451
Surplus (1)	$ 0	$ 592	$ 690	$ 99	$ 210

(1) A surplus generated by the City of Regina Waterworks Commission is totally apportioned to capital expansion projects of the waterworks.

Source: City of Regina.

Sewage System

The City is responsible for the collection of waste and the construction, maintenance and operation of all sewage treatment facilities. The sewage system's revenues are derived from water bill surcharges and are sufficient to make the system self-sustaining.

The following table summarizes revenues and expenditures of the Regina sewage system for the years 1978 through 1981, along with budget figures for 1982.

TABLE IV-5

City of Regina Sewage System

Statement of Revenue and Expenditure

	Budget	For the year ended December 31,			
	1982	1981	1980	1979	1978
		(thousands of dollars)			
Revenue					
Sewer	$6,598	$6,004	$5,746	$5,053	$4,009
Sewer service and cleaning	33	39	26	45	50
Miscellaneous	63	59	76	72	127
Total Revenue	$6,694	$6,102	$5,848	$5,170	$4,186
Expenditure					
General administration	$ 617	$ 507	$ 461	$ 448	$ 377
Sewers	779	479	500	414	368
Sewage pumping and treatment	2,500	2,342	1,887	1,521	1,533
Fiscal services	2,798	1,764	2,510	2,106	1,674
Total Expenditure	$6,694	$5,092	$5,358	$4,489	$3,952
Accumulated net surplus at the end of the year (1)	$ 0	$1,010	$ 490	$ 681	$ 234

(1) A surplus generated by the City of Regina Sewage System is totally apportioned to capital expansion projects of the sewage system.

Source: City of Regina.

School Boards

The following table shows the combined revenues and expenditures of the School Boards for the years 1978 through 1982.

TABLE IV-6

City of Regina

Combined Public and Separate School Board

Statement of Revenue and Expenditure

	For the year ended December 31,				
	1982	1981	1980	1979	1978
Revenue					
Municipal tax	$47,357	$38,556	$32,530	$28,344	$26,558
Provincial grants	42,791	37,863	34,648	31,882	29,791
Tuition fees	1,975	1,657	1,421	1,310	1,231
Ancillary service	151	122	117	99	98
Other service	1,679	1,519	1,150	1,209	1,260
Total Revenue	$93,953	$79,717	$69,866	$62,844	$58,938
Expenditure					
Administration	$ 1,523	$ 1,361	$ 1,237	$ 1,084	$ 948
Instruction	68,482	58,884	50,836	46,143	40,884
Other eduction	147	192	274	247	230
Plant operations	12,502	10,918	9,500	9,180	7,991
Contributions to capital	1,768	211	759	430	1,148
Debt charges	5,694	5,229	5,202	5,133	5,118
Other	3,258	2,649	2,237	1,679	1,249
Total Expenditure	$93,374	$79,444	$70,045	$63,896	$57,568
Excess of revenue (deficit) before appropriation	$ 579	$ 273	$ (179)	$ (1,052)	$ 1,370
Appropriation for completion of capital projects	—	—	—	292	482
Excess of revenue (deficit) after appropriation	$ 579	$ 273	$ (179)	$ (1,344)	$ 888
Revenue fund surplus at beginning of year	$ 5,062	$ 4,789	$ 4,968	$ 6,107	$ 5,219
Reduction of payable to capital fund	—	—	—	$ 205	—
Revenue fund surplus at end of year	$ 5,641	$ 5,062	$ 4,789	$ 4,968	$ 6,107

Source: City of Regina.

The City of Regina operates under Section 403 (Special Provisions) of *The Urban Municipality Act*. This section requires that the assessment role be completed on or before December 31st of the previous year. In general, land assessment has declined from 60% of its market value in 1961 to 15% of its market value in 1981.

The following table indicates the division of taxable assessment for the years 1978 through 1981 and that budgeted for 1982.

TABLE IV-7

City of Regina

Taxable Assessment

	1982	1981	1980	1979	1978
Residential	$204,072,520	$197,362,310	$192,748,210	$185,968,950	$178,415,720
Commercial/Industrial	110,563,420	103,203,030	97,538,330	94,892,690	90,027,190
Institutional	1,876,450	1,761,950	1,763,990	1,676,980	1,559,990
Business	36,638,980	34,848,360	32,795,190	31,316,120	29,967,590
Total	$353,151,370	$337,175,650	$324,845,720	$313,854,740	$299,970,490

Source: City of Regina.

Tax Collections

The City is responsible for the billing and collection of taxes for its own purposes. It also collects the taxes levied for school and library purposes. Accordingly, residential and commercial mill rates are determined by the City. Taxes not paid when due are subject to an interest penalty which is added to the tax arrears and collected as taxes. The current tax penalty is approximately 2% per month from July to December. Penalties on arrears equal 10% per annum, the maximum allowed under *The Urban Municipality Act*.

Table IV-8 sets forth the tax collection record of the City for the years 1977-1981.

TABLE IV-8

City of Regina

Tax Collections

	For the year ended December 31.				
	1981	1980	1979	1978	1977
Total tax levy (1)(2)	$76,420,000	$71,583,000	$65,463,872	$61,686,147	$55,533,554
per capita	$470	$460	$424	$400	$364
Tax arrears	$ 1,575,000	$ 2,412,000	$ 3,287,113	$ 2,941,623	$ 2,743,144
% of total taxes	2.06%	3.37%	5.02%	4.77%	4.94%
Current collections of total taxes	$75,045,000	$70,005,000	$62,547,299	$59,265,203	$53,383,352
% of total taxes	98.20%	97.80%	95.54%	96.08%	96.13%
Total tax collections	$76,968,000	$72,472,000	$64,753,449	$61,430,381	$54,930,335
% of total taxes	100.72%	101.24%	98.91%	99.59%	98.91%

(1) Includes school boards and library tax levy.

(2) City pays to the school boards the full amount requisitioned and then collects taxes, arrears and penalties on their behalf.

Source: City of Regina.

Capital Finances

City Corporation

The major events in the annual capital programming and budgeting cycle are as follows:

(i) general guidelines are issued by the City Manager;

(ii) project description and summary forms make up a preliminary estimate and are submitted by the individual departments to the budget section of the Comptrollers Department for analysis;

(iii) a submission is made to the Budget Review Committee for consideration and any recommendations are forwarded to the Comptrollers Department;

(iv) the final budget and program is submitted to City Council for approval;

(v) The Local Government Board ensures that the program is within the intent of *The Urban Municipality Act* and that the budget is within the City's financial capabilities;

(vi) burgesses are given the opportunity to vote on those projects which require debenture borrowing, with the exception of local improvements and self-financing utilities; and

(vii) the capital budget is issued to the departments to operate under for the following year.

Total capital outlays to provide services and facilities to the citizens of Regina amounted to $17,592,000 in 1981, a decrease of 7.1% from the 1980 expenditure level of $18,945,000.

The following tables outline the total capital outlay by the City during the years 1978 to 1981, as well as projections for the years 1983 to 1987.

TABLE IV-9
City of Regina
General Capital Expenditure

	For the year ended December 31,			
	1981	1980	1979	1978
Capital Outlay	(thousands of dollars)			
Old city hall	$ 24	$ 1,322	$ —	$ —
New city hall	312	8	15	10
Old police building	1	341	72	—
Fire department	81	344	1,329	79
Asphalt plant	—	—	106	75
New police building	23	37	807	4,176
Street improvements	10,638	10,829	6,020	3,142
Storm sewers	1,248	987	821	211
Parks	3,058	2,377	4,645	8,048
Cemetery	160	33	4	12
Senior citizens centre	118	1,119	26	—
Health	163	386	—	16
Miscellaneous	542	140	1	2
Agridome	—	—	—	—
Parkade	—	—	—	—
Total Capitalized	$16,368	$17,923	$13,846	$15,771
Street lighting	$ 356	$ 401	$ 317	$ 240
Land acquisition	385	576	593	280
Property acquisition	—	45	1,068	113
Servicing Dieppe Place	—	—	5	—
Spur track	—	—	—	1
Public housing	483	—	—	—
Total Not Capitalized	$ 1,224	$ 1,022	$ 1,983	$ 634
Total Capital Outlay	$17,592	$18,945	$15,829	$16,405

Source: City of Regina.

TABLE IV-10

City of Regina

Capital Budget Program

	1983	1984	1985	1986	1987	Total Costs & Funding Sources
			(thousands of dollars)			
Functional Category						
Environmental health	$ 1,367	$ 3,112	$ 657	$ 2,272	$ 1,322	$ 8,730
Self-financing utilities	11,057	2,685	3,025	3,120	1,810	21,697
Transportation	12,425	11,365	10,106	9,765	12,749	56,410
Culture and recreation	2,486	4,610	4,601	2,459	1,386	15,542
Protection	1,119	1,250	120	150	1,365	4,004
Environment development	10,427	15,583	17,860	13,407	6,525	63,802
General government services	3,330	2,135	2,305	2,302	2,310	12,382
Total Capital Expenditures	$42,211	$40,740	$38,674	$33,475	$27,467	$182,567
Funding Sources						
Debentures	$ 6,919	$ 6,987	$ 8,565	$ 6,997	$ 7,000	$ 36,468
Revenue contributions	5,042	4,815	4,335	4,423	4,440	23,054
Grants	30,250	28,938	25,774	22,055	16,027	123,045
Total Funding Sources	$42,211	$40,740	$38,674	$33,475	$27,467	$182,567

Source: City of Regina.

PART V

LOCAL SECTOR DEBT FINANCE

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PART V

LOCAL SECTOR DEBT FINANCE

Borrowing Powers

The borrowing power of Saskatchewan municipalities is governed by a number of Provincial statutes. Long-term borrowing is undertaken by the City principally in accordance with the provisions of *The Urban Municipality Act* (the "Act") and subject to the approval of The Local Government Board (the "LGB"). The amount of debenture debt outstanding is limited to an amount equal to 25% of the taxable assessment in respect of land, businesses and special franchises less certain debt (including debt incurred for school purposes and the property owners' share of local improvements) and the applicable sinking fund reserve. In addition, the LGB may order certain debenture debt for electrical power, water and sewage systems to be excluded from the amount outstanding for the purpose of the borrowing limitation. Provision is made in the Act for the LGB to approve an increase in statutory borrowing power under special circumstances; no such increase has at any time been required by the City. Long-term debt may be incurred only for capital purposes.

Outstanding School Debt

Prior to 1966, all debt incurred for secondary schools of both the public and separa e school systems was raised by the City on behalf of such systems, while debt incurred for elementary schools of both systems was raised by the respective school boards.

In 1966, the Regina Board of Education combined the capital requirements for elementary and secondary schools. Thereafter, and until 1980, the City raised all funded debt requirements for the public school system and for the secondary schools of the separate school system.

In 1980, the two school boards became responsible for funding their own requirements on the sole credit of each board. The school boards did not, however, assume prior debt issued by the City on their behalf. The servicing of such debt remains the responsibility of each board and debt service requirements of the City in this regard are withheld from school taxes remitted to the boards.

Borrowing Procedure

Sections 239 through 309 of the Act make provision for incurring long-term debt. No borrowing by-law of the City providing for the issue of debentures has any force or effect until approved by the LGB, a body created by Provincial statute, whose members are appointed by the Lieutenant Governor in Council. While the Act does not require that long-term borrowing by-laws be submitted to a vote of the burgesses (essentially, the property owners), the LGB has broad discretionary powers in this regard. In practice, the LGB requires all borrowing by-laws to be put before the burgesses, other than by-laws in connection with borrowing for utilities, including water and sewage systems.

The Act provides for, among other things, the creation of debt by the issue of debentures and the methods of repayment including the establishment of sinking funds and their management. Taxes must be levied for the repayment of debt, repayment of which is not otherwise provided for, and provision for such levy is included in the by-law creating the debt.

The Act provides that temporary loans to meet a municipality's current expenditures may be secured by, and be a charge upon, specified municipal assets. All outstanding debentures of Regina are a general charge on the credit of the City.

Having passed a by-law for the incurrence of long-term debt, the City may (and in practice does) apply for a certificate of the Minister of Urban Affairs approving such by-law. Every by-law so approved and the debentures issued in accordance therewith are valid and binding upon the City and not open to question in any court.

Gross and Net Debt

Table V-1 sets out the gross and net debt positions of the local sector as at December 31, 1978-1982. Gross funded debt of the local sector was $95.4 million at December 31, 1982. Of this amount $21.9 million was recoverable debt while $31.7 million was self-supporting utility debt.

Following on, Table V-2 breaks down the debt outstanding for comparative purposes. The final two tables, V-3 and V-4, outline the debt service expenditures or requirements for 1972-1982 and for 1983 until maturity, respectively.

TABLE V-1

City of Regina

Local Sector Gross and Net Debt

	For the year ended December 31,				
	1982	1981	1980	1979	1978
	(thousands of dollars)				
General Municipal Activities					
Protective services	$ 2,775	$ 2,877	$ 2,969	$ 3,055	$ 2,751
Recreation	9,991	10,135	10,193	10,246	9,858
Transportation	20,245	17,654	17,528	18,916	18,321
Environment	8,265	6,133	6,449	7,245	6,652
Miscellaneous	565	565	609	647	682
Utilities	31,692	27,434	26,640	27,818	24,078
School boards	21,851	23,191	24,417	25,558	26,678
Library, hospital, light and power	—	1,117	2,339	2,427	4,985
Gross Debt	$95,414	$89,106	$91,144	$95,912	$94,005
Less: Self-supporting debt					
Waterworks	$13,433	$13,510	$12,191	$12,876	$12,310
Sewage	18,259	13,924	14,449	14,942	11,768
Total self-supporting debt	$31,692	$27,434	$26,640	$27,818	$24,078
Less: Recoverable debt					
School and library boards	$21,851	$23,416	$25,567	$26,708	$27,828
Light and power	—	892	1,189	1,277	3,835
Total recoverable debt	$21,851	$24,308	$26,756	$27,985	$31,663
Less: Municipal share of sinking fund reserve	$10,815	$12,037	$11,777	$12,130	$12,307
Net Debt	$31,056	$25,327	$25,971	$27,979	$25,957

Source: City of Regina.

TABLE V-2

City of Regina

Selected Debt Information 1977 – 1981

(In thousands except population, debt per capita and percentages)

	For year ended December 31,				
	1981	1980	1979	1978	1977
Gross debt	$ 89,106	$ 91,144	$ 95,912	$ 94,005	$ 85,952
Net debt	$ 25,327	$ 25,971	$ 27,979	$ 25,957	$ 20,725
Population	162,613	155,606	154,175	153,993	152,119
Debt per capita					
Gross	$ 547.96	$ 585.74	$ 622.10	$ 610.45	$ 565.03
Net	$ 155.75	$ 166.90	$ 181.48	$ 168.56	$ 136.24
Debt as a % of personal disposable income					
Gross	4.95%	5.91%	6.97%	7.61%	8.19%
Net	1.41%	1.68%	2.03%	2.10%	1.98%
Gross debt as a % of general municipal revenue	94.4%	107.5%	121.0%	133.3%	143.0%
Net debt as a % of general municipal revenue	26.8%	30.6%	35.3%	36.8%	34.5%

Source: City of Regina.

TABLE V-3

City of Regina

Debt Service Expenditures for General Debenture Debt

1972 - 1982

Fiscal Year	Principal	Interest	Total Debt Service
1982	$1,609,854	$3,360,147	$4,970,001
1981	1,589,506	3,282,968	4,872,474
1980	1,641,856	3,402,731	5,044,587
1979	1,599,595	3,269,036	4,868,631
1978	1,434,699	2,789,480	4,224,179
1977	1,343,757	2,449,136	3,792,893
1976	1,334,505	2,234,545	3,569,050
1975	1,512,072	2,140,558	3,652,630
1974	1,170,073	2,439,041	3,609,114
1973	1,680,929	2,138,605	3,819,534
1972	1,827,059	2,135,538	3,962,597

Source: City of Regina.

TABLE V-4

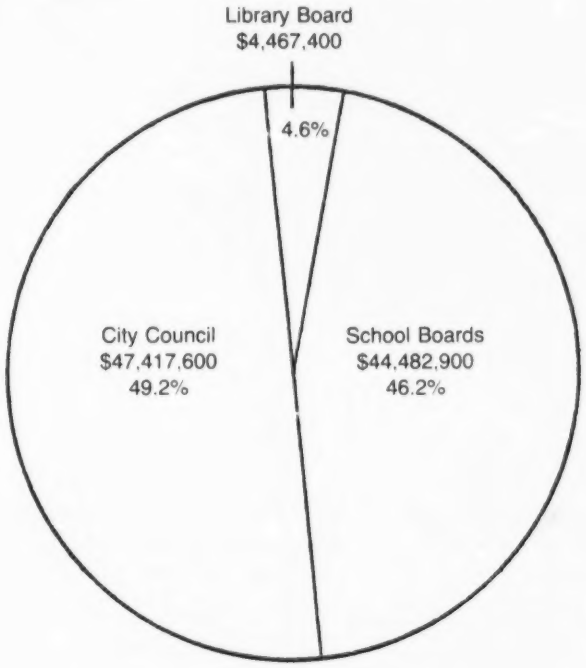
City of Regina

Summary of General Debt Service Requirements Until Maturity

Year ended December 31.	Serial Debenture Principal	Serial Debenture Interest	Sinking Fund Instalment	Sinking Fund Debenture Interest	Total
1983	$ 657,484	$1,151,783	$1,389,684	$3,458,248	$6,657,199
1984	720,276	1,086,035	1,316,116	3,271,367	6,393,794
1985	684,911	1,017,159	1,169,109	3,125,734	5,996,913
1986	733,519	950,386	1,126,801	3,061,838	5,872,544
1987	720,156	878,322	1,075,769	2,904,491	5,578,738
1988	659,212	813,542	893,179	2,793,989	5,159,922
1989	691,722	748,325	852,003	2,730,633	5,022,683
1990	691,729	681,173	825,301	2,668,494	4,866,697
1991	732,038	612,665	786,750	2,581,362	4,712,815
1992	801,906	539,314	761,245	2,492,363	4,594,828
1993	847,213	459,840	699,648	2,410,326	4,417,027
1994	779,997	375,212	699,145	2,407,456	4,261,810
1995	856,303	294,841	682,514	2,312,173	4,145,831
1996	752,668	208,469	574,381	2,005,301	3,540,819
1997	630,000	140,620	534,310	1,556,052	2,860,982
1998	563,000	80,228	224,998	647,958	1,516,184
1999	322,000	23,664	90,671	464,625	900,960
2000	—	—	90,671	464,625	555,296
2001	—	—	90,671	451,406	542,077
2002	—	—	60,447	89,250	149,697

APPENDIX A

The following illustration shows the distribution of general taxes between the Public and Separate School Boards, the Library Board and City Council, as budgeted in 1982. The School and Library Boards together require approximately one-half of general tax revenue.



Total General Taxes $96,367,900

The various mill rates and percentage increases in 1982, as compared to 1981, are as follows:

TABLE A-1

City of Regina

1981 and 1982 Mill Rates

	Mill Rate		Percentage
	1981	1982	Increase
City Council	124.64	134.27	7.73%
Schools	107.96	125.96	16.67%
Library	11.40	12.65	10.96%
Total	244.00	272.88	11.84%

Municipal expenditures under the control of City Council are shown in the following illustration. In this illustration:

General Government includes all administrative and legislative expenditures.

Protective Services includes the police department, fire department, Emergency Measures Organization and street lighting.

Transportation Services includes the expenditures related to parking, traffic, roadways, sidewalks and the transit deficit.

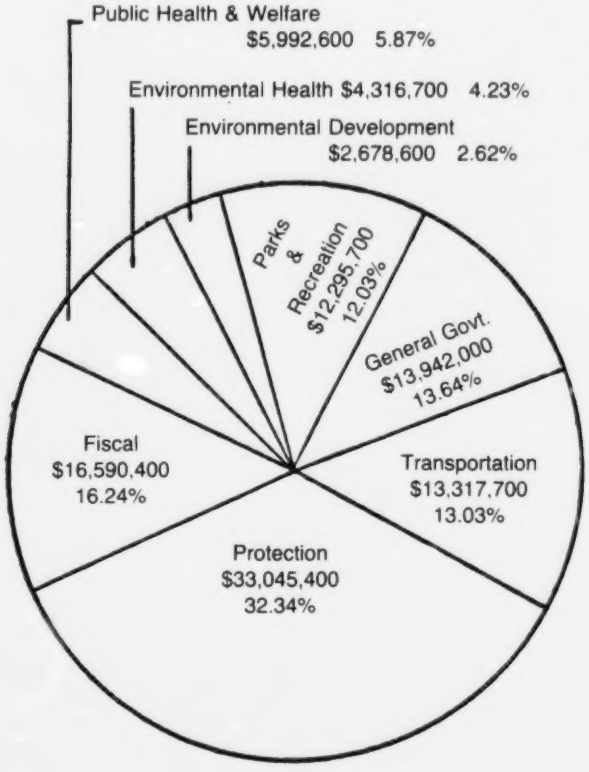
Environmental Health includes storm drainage and solid waste collection and disposal.

Public Health and Welfare Services includes the health department, senior citizens assistance, cemeteries, the hospital operations levy and handicapped transit.

Environmental Development Services includes planning and development and public relations related expenditures.

Parks, Recreation and Cultural Services contains all related expenditures including the contribution to the Wascana Centre (30% of 5 mills — $505,800).

Fiscal Services include all expenditures related to debt charges and the capital budget.



Total Municipal Expenditures
$102,179,100